

# Public Transport Workshop

Challenges and the Future

# ICC and Public Transport

Purpose of this workshop:

- Present on the current situation.
- Advise on the changing environment.
- Councils direction and alignment to Regional Land Transport Plan.
  
- Abbreviations
  - GPS – Government Policy Statement.
  - RLTP – Regional Land Transport Plan – Strategic document (10 year) all transport activities/funding.
  - RPTP – Regional Public Transport Plan – strategic document (10 year).
  - NLTP – National Land Transport Programme – funding framework.

# ICC and Public Transport

- Agreement with Environment Southland since 2001
  - MOU has not been updated since then
- Some indication that Environment Southland wishes to re-examine this.
- Reporting obligations/funding, contract management, renewals.
- Funding direct to ICC

MOU covers complete ownership of the delivery and Long-term Planning Function:

- Long-term Plans;
- Operations;
- Contract Management;
- Customer Relations;
- Upgrades and renewals of Infrastructure.

# Total Mobility

- Service for physically impaired, disabled people and wheelchair users.
- Subsidised by NZTA (rate of 50% is standard), has been a higher level of subsidy over the COVID period.
- Experienced growth exceeding funding.
- Late top up funding was obtained from NZTA.
- National Land Transport Programme confirmed funding has risen to a more sustainable level.

# Regional Public Transport Plan 2021 – 2031

- Strategic Document, adopted 2021.
- Regional Public Transport Plan developed by ICC, with Environment Southland input.
- Regional Land Transport Plan has undergone its mid term review.
- Regional Public Transport Plan currently being reviewed. Reviews generally after three years.
- Generally aligned with Regional Land Transport Plan reviews.
- Regional Land Transport Plan mid-term review is complete.
- Regional Public Transport Plan review is currently underway.

# Current Regional Public Transport Plan Priorities

- **Ensuring access to essential goods and services**
  - Meeting the needs of a dispersed communities.
  - Older people, children and people with disabilities.
  - People over 65 years old make up 16.5% of the population (similar to Australia and less than the UK at 18%).
  - Note: in 2006 this percentage for NZ was 12%.
- **Achieving value for money**
  - Original aim to halt the drop in patronage through levers of service changes and fare reductions. Successful in the short term.
  - New Government Policy Statement – emphasis is changed to value and economic return.
- **Responding to environmental priorities**
  - A challenge and an opportunity.
  - Zero Carbon targets.

# Our Vision

- Aligns to Regional Land Transport Plan and Regional Public Transport Plan.
- Provides a service that is sustainable.
- Uses technology to interact with customers.
- Is cost neutral.
- Structured for growth.
- Part of an integrated transport strategy – variety of modes
  - One part of the whole.

# Government Policy Statement on Transport (GPS 2024)

- **Impact**
  - Change focus to economic return and value.
- **Work Needed:**
  - Third Party Revenue/Commercial funding sources;
  - Reporting alignment;
  - Rich data sources and alignment;
  - Update process for reporting;
  - Balancing commercial realities with community need.



# What We Do Well

- Fares are reasonable
- On time percentage is close to 100%
- Missed trips are essentially zero
- Recovery from Covid is complete and patronage is climbing.
- Routes and timetable cater for the majority of users.

# Challenges

- Patronage – falling;
- Quality – adequate but should be better;
- Experiential – ease of use, customer focus, equipment, comfort;
- Demographic changes;
- Perceived better options;
- Reliability;
- Customer Experience;
- Other?

# Additional Obligations

- Zero carbon by 2050
  - Our response in this sector – EV bus fleet
- 24-47% reduction in biogenic methane
- Renewal of contract by early 2025 (contract ends Dec 2025) for 1 January 2026 implementation. (Two extensions to the current contract have previously been granted).

# Fundamental Questions

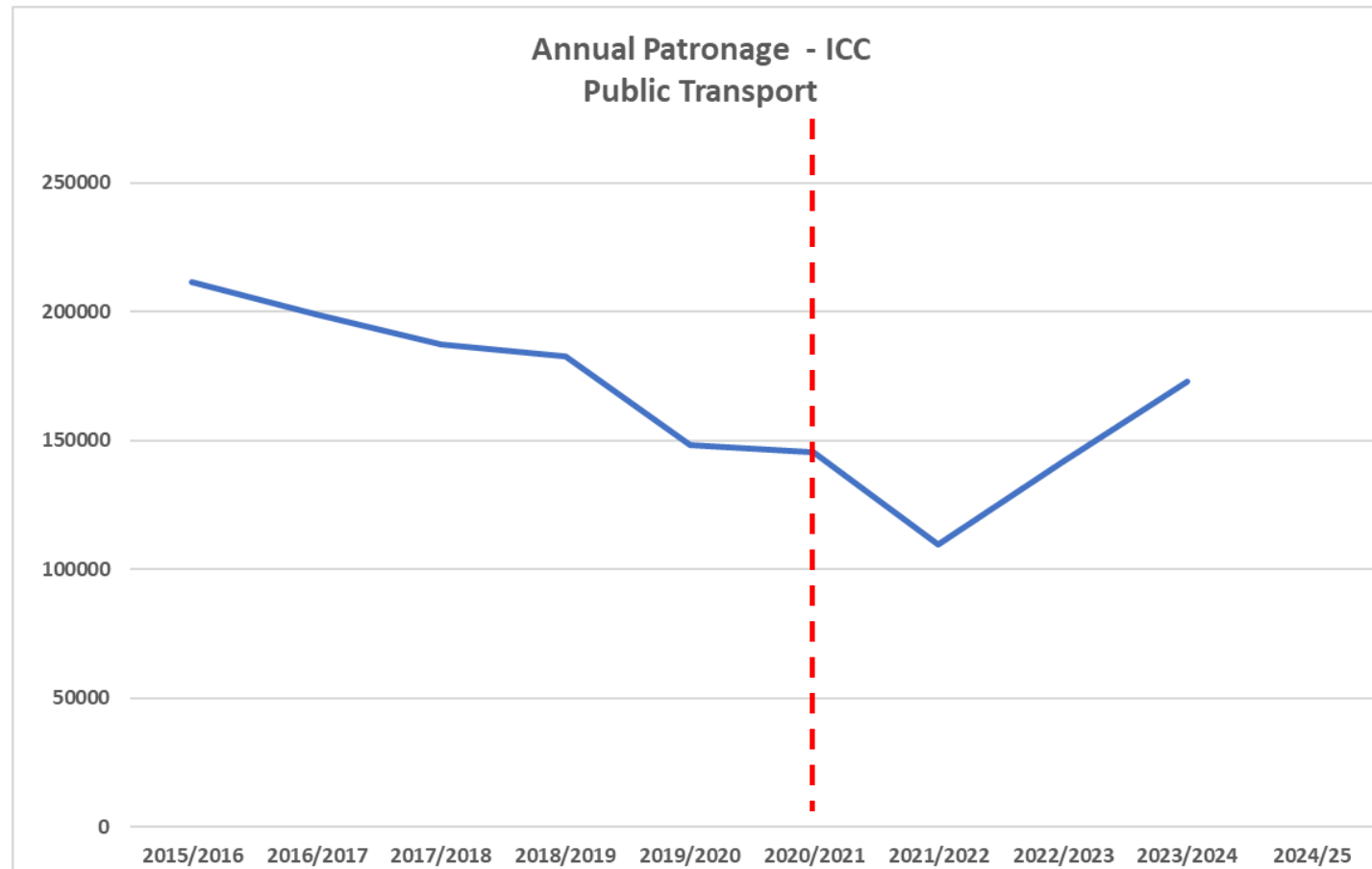
- Do we want a Public Transport service?
- What should it look like?
- What could it look like?
- What are our options within budget?
- What do others do?
- Is it a good investment?
- Viability
- Sustainability

# Fundamental Goals

- Patronage – increasing year on year;
- Higher Quality – adequate but should be better;
- Experiential – ease of use, customer focus, equipment, comfort;
- Demographic change is addressed;
- Genuine choice.

# Current State

## Patronage Over Time



Impact of COVID

Extrapolated

# Demographic Breakdown

Adult Full Fare 31%

Youth Fare 24%

Under 25 Fare 5%

Community Services Card 8%

Child Fare 12%

SuperGold 11%

41% of ICC passengers are under 25

# Demographic Breakdown

- There is a clear focus needed on transport disadvantaged people.
- Young, elderly, disabled and the financially challenged.
- Provision is made in these areas, but reflection on whether this is meeting need sufficiently is an ongoing task.
- Invercargill is getting older and has a flat overall growth profile.



# National Land Transport Programme Funding

- ICC was granted funding below the Long-term Plan funding for Public Transport provision, but above the 2021-2024 period.
- Budget for 2024-2027 for Public Transport is \$7.2 million (Long-term Plan \$7.8 million) (2021-2024 \$3.6 million).
- Budget for 2024-2027 Total Mobility is \$3 million (Long-term Plan \$1.9 million) (2021-2024 \$2.1 million).
- This increase in funding was on the basis that ICC moves to high technology systems and EV vehicles.
- The increase in Total Mobility funding will account for the growth above budget limits we have experienced.
- Currently Total Mobility is unlimited use. Work is being undertaken to limit use to ensure viability.

# Procurement Status

- ROI indicated innovative ideas in industry
- EV network
- Technology
- Levels of service
- Industry relationships are strong
- Procurement plan complete
- Going to the market March

# Future Actions

- Procure new contract
- ROI showed that the market is considering the innovative approach we need.
- Integrate all transport modes in the network
- Transport Study including modelling of current network by mode
- Integrate Public Transport and parking elements in strategy
- Develop and renew Transport Strategy for the network - currency

# ICC and Public Transport

## Key questions

- What level ?
- Competing with other modes?
- Aligning with other modes?
- Right sizing?
- Community service versus commercial reality?
- Customer satisfaction?
- A higher level of service?

# Thank you